

APPENDIX B: SHORT FACT FINDER

Appendix B: Confidential Transfer-of-Ownership Analysis

Name of firm: _____

Address and phone: _____

Type of business: _____

Date: _____

1. What are the names of your business associates? _____

2. What are their proportionate shares of ownership and profit? _____

3. What are their duties? _____

4. What are their ages? _____

5. What is their general health? _____

6. Any dependents (number and relationship)? _____

7. Do their wills dispose of their business interest? _____

8. To whom will their share of the business pass upon their deaths? _____

9. If the ownership interest held by a business associate will not pass by contract or by Will to you:

B.2

Essentials of Business Insurance

- a. Would you be willing to be in business with your business associate's heirs? In this situation you may do all the work and get only part of the profits. _____
- b. Would you agree to take in an outsider who may be inexperienced and untried? _____
- c. If you are not willing to do any of these things, are you prepared to bargain for your dead business associate's interest, or to liquidate the business if no agreement can be reached? _____
- d. If you are willing to run these risks, how will you raise the purchase price?
From capital? _____
By borrowing? _____
Through life insurance? _____

10. If your business associate's interest will pass to you:

- a. Is there a formal ownership transfer (buy-sell) agreement? _____
- b. When was the agreement signed? _____
- c. By whom was it drawn? _____
- d. When was it last reviewed? _____
- e. Does it provide specific performance? _____
- f. How is the purchase price determined? _____
- g. How is any balance that may be due payable? _____
- h. Must your business associate give you first option to buy if he or she decides to sell while living? _____
- i. Does the agreement cover the hazard of permanent disability? _____
- j. How do you plan to have the purchase price on hand when needed? From capital? By borrowing? _____
Through life insurance? _____
- k. If through life insurance, _____
On whose life insurance? _____
Who pays the premium? _____
Who is the beneficiary? _____
Who holds the policy? _____
Who owns the policy? _____

11. When may I examine your:

- Articles of partnership or articles of incorporation? _____
- Buy-sell agreement? _____
- Will? _____
- Balance sheets? _____
- Income statements? _____
- Tax returns? _____